

Senate Committee
on
Budget and Fiscal Review

SUBCOMMITTEE 4
State Administration,
General Government,
Judicial, and Transportation

MAJOR ACTION
REPORT

May 26, 2005

Senate Bill 52
2005-06 Budget Bill

Members

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SUBCOMMITTEE No. 4

STATE ADMINISTRATION, GENERAL GOVERNMENT, JUDICIAL, and TRANSPORTATION

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TRANSPORTATION

2600 CALIFORNIA TRANSPORTATION COMMISSION

- Approved as budgeted.

2640 SPECIAL TRANSPORTATION PROGRAMS

- Approved Finance Letter to augment the Special Transportation Programs by \$63.5 million, based on the Governor rescinding his January Budget proposal to suspend Proposition 42.

2660 DEPARTMENT OF TRANSPORTATION

- Approved Finance Letter to restore Proposition 42 funding of \$1.3 billion GF and make related budget adjustments.
- Approved Finance Letter that revises the estimate of revenues from tribal-gaming bonds from \$1.2 billion to \$1.0 billion.
- Approved Finance Letter that reverts \$51.6 million in 2004-05, and adds an unallocated reduction of \$50 million in 2005-06, to generate savings to be redirected to highway capital-outlay expenditures.
- Approved three Finance Letters that add expenditure authority and positions related to capital-outlay-support project workload; however, reduced the funding for each Finance Letter by \$1,000 to put the issues into the Conference Committee for further review.
- Approved Finance Letter to augment maintenance funding by \$25.9 million (\$14.8 million ongoing) and 82 positions for new storm-water workload related to recent legal settlements.
- Approved Finance Letter to hold highway maintenance funding at the 2004-05 level, but augmented the request by \$1.0 million to put the issue into the Conference Committee for further discussion.
- Restored Environmental Enhancement and Mitigation (EEM) funding to its historic level of \$10 million.

Budget Bill Language

1. Added a new appropriation item and provisional language to separately appropriate funds for specialty building facilities from funds for highway preservation and rehabilitation.

Trailer Bill Language

1. Approved language appropriating Proposition 42 funds pursuant to the requirements of Article XIXB of the Constitution.
2. Approved language suspending the General Fund to Public Transportation Account “spillover” transfer for 2005-06, which results in savings to the General Fund of \$380 million.
3. Modified the Administration’s trailer bill language related to tribal-gaming bonds to specify that any outstanding transportation loans not repaid by the bonds remains a debt of the General Fund.
4. Approved language to eliminate the Transportation Development Advisory Committee. The Administration indicates there is no longer a need for this formalized advisory body.
5. Approved language requiring the Department to annually report on the lane-miles of capacity added to the state highway system.

2665 HIGH SPEED RAIL AUTHORITY

- Approved Governor’s Budget proposal to augment funding by \$2.2 million (special fund) for legal costs related to the environmental impact report, and a “next-tier” program environmental impact report to study the Central Valley to San Francisco Bay Area portion of the planned high-speed train route.
- Approved Governor’s Budget proposal to augment funding by \$500,000 for a financing plan, but added provisional language to prohibit expenditure of those funds if legislation is enacted in 2005 to delay the November 2006 high-speed rail bond vote.
- Augmented funding by \$325,000 (special fund) and \$325,000 (reimbursements from locals) to complete a Southern San Joaquin Valley Station Study.

2720 CALIFORNIA HIGHWAY PATROL

- Approved Governor’s Budget proposal to increase funding by \$5.4 million to fully fund overtime costs.
- Approved Governor’s Budget proposal to increase funding by \$17.2 million for inflation, including gasoline costs and insurance; however, reduced the amount by a net of \$1.8 million to reflect updated cost estimates.
- Approved Governor’s Budget proposal to increase funding by \$10.2 million for various capital outlay projects.

2740 DEPARTMENT OF MOTOR VEHICLES

- Approved Finance Letter to augment expenditure authority by \$4.1 million for a vehicle insurance reporting information technology project related to meeting the requirements of SB 1500 (Chapter 920, Statutes of 2004, Speier) and AB 2709 (Chapter 948, Statutes of 2004, Levine). Rejected trailer bill language that would delay the implementation date of requirements associated with those bills.
- Approved Finance Letter to augment funding by \$6.6 million to pay credit card convenience fees, which have previously been paid by customers or absorbed within the existing Department budget. Changed funding from permanent to two-year limited-term.

STATE ADMINISTRATION

0520 SECRETARY FOR BUSINESS, TRANSPORTATION, AND HOUSING

- Augmented the Agency's budget by \$2.0 million GF to restore funding for the Manufacturing Technology Program.
- Approved Finance Letter to augment the Agency's budget to fund the California Travel and Tourism Commission, but reduced the funding from \$7.3 million to \$7.0 million to put the issue into the Conference Committee for further discussion.
- Rejected Finance Letter to augment the Agency's budget by \$500,000 GF to upgrade the CinemaScout server and software, which is a digital library used in selecting potential film location sites.

0595 OFFICE OF THE STATE INSPECTOR GENERAL

- Rejected the proposed establishment of an Office of the State Inspector General and associated trailer bill. Funding of \$2.3 million diverted to the existing investigations and audit programs of the Office of State Audits and Evaluations located within the Department of Finance (\$1.15 million) and the Bureau of State Audits (\$1.15 million).

0650 OFFICE OF PLANNING AND RESEARCH

- Approved trailer bill to eliminate the Small Business Reform Task Force. This task force has been largely inactive and was last required to report to the Legislature on May 1, 2002. The elimination is a component of the Governor's proposal to eliminate 13 "nonessential" boards and commissions.
- Approved funding of \$188,000 for writing and assisting in the implementation of consultation guidelines for local agencies to use when negotiating with tribal communities. The primary purpose of these guidelines is to encourage the protection of Native American lands.

0840 STATE CONTROLLER'S OFFICE

- Augmented the budget by \$996,000 GF and 11 positions to expand audits of state mandate claims. Based on audit finding rates in the last few years, a benefit to cost ratio of over 30 to 1 is anticipated.
- Approved a funding level of \$10.4 million and 23 positions for the Human Resource Management System—21st Century Project. This multi-year project will replace the State's employment history, payroll, leave accounting, and position control systems.

- Approved a funding request of \$1.2 million GF to establish a local government “e-claims” filing system for mandate claims. The product will enable state mandate claimants to enter costs claims directly into the State Controller’s Office (SCO) main database via the Internet, using e-forms and electronic signatures. Based on the improved data management and audit capacity, this system is expected to save \$14 million in subsequent years.
- Rejected a \$100,000 GF and two position augmentation for the SCO’s Property Tax Postponement Program. The Administration anticipated that this program would have encountered increased workload resulting from the Governor’s move to augment the Senior Citizens’ Property Tax Deferral Program. The Senior Citizens’ Property Tax Deferral Program is also discussed under Item 9100, Tax Relief.

0845 DEPARTMENT OF INSURANCE

- Augmented the Fraud Workers’ Compensation Program by \$1.0 million (Insurance Fund) to fund increased investigation and prosecution of workers’ compensation fraud and the willful failure to secure payment of workers’ compensation.
- Increased funding for the Organized Automobile Fraud Activity Interdiction Program (Urban Grant Program) by \$2.5 million (Insurance Fund).
- Distributed \$2.9 million (Insurance Fund) from the Fraud Automobile and Urban Grant Programs to local District Attorneys.

0850 STATE LOTTERY COMMISSION

- Approved as budgeted--\$107.9 million.

0860 BOARD OF EQUALIZATION

- Appropriated \$3.0 million for ongoing implementation of an electronic tax stamp for cigarette packages. The new encrypted stamp is expected to diminish black market sales by up to \$28.1 million annually.
- Augmented the budget by \$690,000 GF for preliminary plans, working drawings, and a prototype fix to repair the exterior windows of the BOE headquarters building in Sacramento.
- Adopted Budget Bill language to require the BOE to report by April 1, 2006, on the actual costs for closure and consolidation of certain field offices and the decision criteria used to determine when an office will be closed.
- Adopted trailer bill to reduce the threshold for mandatory payment of taxes by electronic means from \$20,000 to \$10,000 and adopted Supplemental Report Language for the BOE to report on the impact of this change on taxpayer behavior.

- Appropriated \$2.3 million (reimbursements) to provide the BOE with sufficient resources to support the 24 newly-established Special Taxing Jurisdictions (STJ). These new STJs were established by local election in November 2004.
- Adopted Supplemental Report Language to express the intent of the Legislature for the BOE to complete full implementation of the e-filing system for multiple location retailers (which would enable these businesses to file their claim forms online) by 2007.
- Reduced funding for the e-waste recycling fee collection program by 11 positions and \$716,000 GF, based on revised estimates of workload.

0890 SECRETARY OF STATE

- Augmented the budget by \$242 million (federal funds) to carry out provisions of the Help America Vote Act (HAVA). Key components of the recently approved spending plan will be replacement of outmoded voting equipment, creation of a statewide database of voters, and an information campaign on voters' rights.
- Approved trailer bill to eliminate the California Heritage Preservation Commission. The duties of the Commission, formerly shared with the California State Library, will be carried out solely by the California State Library. The proposal is a component of the Governor's plan to eliminate 13 "nonessential" boards and commissions.

0950 STATE TREASURER'S OFFICE

- Adopted Budget Bill language to allow short term GF loans (specified as less than two months) to the State Treasurer's Office to meet cash flow needs.

0985 CALIFORNIA SCHOOL FINANCE AUTHORITY

- Augmented the budget by \$19.7 million (federal funds) to provide expenditure authority for new federal fund grant awards for the lease and construction of charter school facilities.

1700 FAIR EMPLOYMENT AND HOUSING

- Approved Governor's Budget, including an unallocated \$211,000 GF reduction, and a Finance Letter technical correction.

1730 FRANCHISE TAX BOARD

- Augmented the Franchise Tax Board (FTB) budget by \$8.3 million GF and 96 positions for tax gap enforcement activities. These activities will include enhanced detection of tax preparers filing fraudulent returns, audit staff augmentation, additional tax information resources, and underground economy criminal investigations. Expected revenues from these activities in 2005-06 are \$33.7 million.

- Transferred the FTB's Child Support Full Collection Program to the Department of Child Support Services (DCSS), in accordance with Chapter 806, Statutes of 2004 (AB 2358, Steinberg). A total of 167 positions and \$12.4 million will be shifted to DCSS.
- Increased the FTB budget by \$3.9 million GF to carry out the final stages of the staff relocation to a new state office building and to renovate existing buildings on the Butterfield Campus in Sacramento.
- Augmented the FTB's budget by \$17,473,000 (\$5.9 million GF and \$11.5 million reimbursements) budget to provide funding for nine positions and vendor payments in order to continue the development phase for the California Child Support Automation System (CCSAS) project.
- Extended 47 expiring limited term positions (\$2.8 million GF) for two additional years for tax collection activities. Expected annual revenues are \$12.6 million.
- Reestablished a misdemeanor program in FTB's investigations bureau (\$1.3 million GF). Expected revenues are \$2.5 million in the budget year and approximately \$5 million thereafter.
- Extended, for three years, two attorney positions in order to continue efforts to expedite settlement of tax cases. Anticipated annual revenues in 2005-06 are \$5.8 million
- Reestablished a "Discovery Audits" Program (\$1.7 million GF and 20 positions), which will unearth information on tax noncompliance by exploring avenues of tax evasion that are new or not fully understood by the FTB. Revenues are expected to exceed program costs.

1760 DEPARTMENT OF GENERAL SERVICES

- Rejected a budget change proposal to reduce the Office of State Publishing by 120 positions and \$6.2 million. The Administration had proposed this reduction to address recent operating losses and the growth of office-based printing.
- Adopted reappropriations for capital outlay projects including: the Sacramento Central Plant renovation; Department of Corrections' San Quentin Building 22, Tehachapi Dormitories, and Tracy hospital; City of Richmond municipal buildings; Oakland Police Administration building; a Sacramento Department of Education building; and the Department of Transportation's Marysville Office Building.
- Adopted Budget Bill language to facilitate the purchase of tickets from the state's primary carrier at least two weeks before the flight (with exceptions for certain activities and emergencies). Anticipated savings are \$7.1 million. Support costs of \$250,000 will be paid by client departments.
- Adopted Budget Bill and trailer bill language to identify various areas of significant savings in the purchase of prescription drugs. Several million dollars in savings are expected by creating more drug purchasing contacts, requiring collaboration between departments, requiring DGS to develop an annual work plan for purchasing drugs, requiring DGS participation in drug review,

and other initiatives to reduce the state's cost for purchasing drugs. Funding for three pharmacist staff is also included (\$306,000 GF).

- Adopted budget provisional language to clarify DGS's authority to increase reimbursements for unanticipated expenses.

1880 STATE PERSONNEL BOARD

- Approved Finance Letter to augment the Peace Officer Procedural Bill of Rights mandate budget item by \$18.2 million to cover reimbursements to locals for their costs of administering the mandate in 2005-06.

Trailer Bill Language

1. Adopted language to request the Commission on State Mandates to review its Statement of Decision regarding the Peace Officer Procedural Bill of Rights test claim and make any modifications necessary to be consistent with recent court decisions.

1920 STATE TEACHERS' RETIREMENT SYSTEM

- Rejected the Governor's Budget proposal to discontinue the state's 2 percent contribution to teachers' retirement, which is a \$469 million GF expenditure in 2005-06.

1955 DEPARTMENT OF TECHNOLOGY SERVICES

- Approved contingency Budget Bill language that assumes the Legislature will approve the Governor's Reorganization Plan to consolidate the Stephen P. Teale Data Center (Teale), the Health and Human Services Data Center (HHSDC), and certain telecommunications functions of the Department of General Services, into the new Department of Technology Services (DTS). The Legislature will separately review the Reorganization Plan itself – likely in June.

Trailer Bill Language

1. Adopted language to delete the continuous appropriation for DTS in the Administration's proposed language.

2100 ALCOHOLIC BEVERAGE CONTROL

- Approved Governor's Budget proposal to augment one-time funding by \$246,000 (special fund) for facility renovations.

2150 DEPARTMENT OF FINANCIAL INSTITUTIONS

- Approved Finance Letter and related trailer bill language to eliminate the Credit Union Advisory Committee within the Department; however, increased the budgeted saving to \$2,000

to put the issue into the Conference Committee for further discussion. The Administration indicates there is no longer a need to have a formalized advisory body.

2180 DEPARTMENT OF CORPORATIONS

- Approved Governor's Budget proposal to augment the department's budget by \$1.5 million (special fund) and 16 positions (seven limited-term) to address increased exam and licensing workload.
- Approved the Governor's Budget request to continue the Seniors Against Investment Fraud (SAIF) Program with the department's special funds, instead of lapsing grant funds. Reduced the funding from \$400,000 to \$225,000 to maintain the core program but reduced costly conference attendance, media purchases, and video production.
- Approved Finance Letter to allow the department to receive grant funding of \$150,000 to institute a Troops Against Predatory Scams (TAPS) Investor Education Program.
- Reduced funding requested in the Governor's Budget to implement AB 2693 (Chapter 940, Statutes of 2004, Wiggins) by \$191,000 and two positions because the reduced amount would be sufficient to fund compliance investigations and "red flag" audits. Added provisional language requiring the department to report on non-compliance with AB 2693 by January 10, 2007.
- Approved the Finance Letter proposal and related trailer bill language to eliminate the Mortgage Bankers' Advisory Commission within the department. The Administration indicates there is no longer a need to have a formalized advisory body.

2240 DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

- Modified the Governor's Chronic Homeless Initiative to: reduce GF support for the Governor's Interagency Council on Homelessness by \$125,000; eliminate \$750,000 GF for predevelopment loans and replace that funding with Proposition 63 bond funds; modify the Administration's trailer bill language (see #5 below); and use the GF savings to restore Emergency Housing Assistance Program (EHAP) funding to the 2004-05 level.
- Approved Finance Letter to increase funding by \$1.0 million (special fund) and seven positions to reduce the backlog and meet future workload related to mobile home inspections. Funding requested for 2005-06 is half-year and the ongoing funding and positions double in 2006-07.

Trailer Bill Language

1. Adopted language to allow the use of \$9.5 million in Proposition 46 bond funds to pay for repair, rehabilitation, and replacement of facilities and equipment at various state-owned migrant centers.
2. Adopted language authorizing a fee to reimburse the state for the cost of administering eight Local Agency Military Base Recovery Areas

(LAMBRAs), two Manufacturing Enhancement Areas (MEAs), and one Targeted Tax Area (TTA). Moved the existing Enterprise Zone (EZ) Program fee-authority sunset date from 2006 to 2009.

3. Adopted language that would require the Department, instead of Councils of Governments, to perform Housing Need Assessments in specified circumstances. Approved an augmentation of \$1 million GF for a related grant program.
4. Adopted language to limit future rent increases for residents of Office of Migrant Services facilities.
5. Adopted language to allow a portion of the housing-preservation Proposition 46 funds to be used for supportive-housing purposes.

2320 DEPARTMENT OF REAL ESTATE

- Approved Finance Letter to eliminate the Real Estate Advisory Commission within the Department. The Administration indicates there is no longer a need to have a formalized advisory body.

2400 DEPARTMENT OF MANAGED HEALTH CARE

- Approved Finance Letter and related trailer bill language to eliminate the Clinical Advisory Panel and the Managed Care Advisory Committee within the Department. The Administration indicates these entities were primarily needed when the department was being implemented.

2780 STEPHEN P. TEALE DATA CENTER

- Approved contingency Budget Bill language that assumes the Legislature will approve the Governor's Reorganization Plan to consolidate the Teale Data Center, the Health and Human Services Data Center, and certain telecommunications functions of the Department of General Services into the new Department of Technology Services (see organization 1955 on a previous page).

8260 CALIFORNIA ARTS COUNCIL

- Approved as budgeted.

8320 PUBLIC EMPLOYEE RELATIONS BOARD

- Rejected the Administration's budget trailer bill that would shift some mediation responsibilities from the Public Employee Relations Board (PERB) to the Division of Conciliation in the Department of Industrial Relations, and shift some costs from PERB to employers and to employee organizations.

- Approved Governor's Budget proposal to augment the Board's budget by \$438,000 GF and 3 positions to fund workload associated with recent legislation that has added new public employers to PERB's jurisdiction.

8380 DEPARTMENT OF PERSONNEL ADMINISTRATION

- Approved Finance Letter to revert Rural Health Care Equity Program funding to the GF, but reduced the amount from \$15.3 million to \$1.0 million with the intent to put this issue into Conference Committee for further consideration.
- Augmented the Department's budget by \$482,000 (\$241,000 GF) and 5 positions to implement a comprehensive salary survey.

8620 FAIR POLITICAL PRACTICES COMMISSION

- Approved as budgeted--\$6.1 million.

8855 BUREAU OF STATE AUDITS

- Augmented by \$1.15 million (GF) for investigative audits pursuant to Chapter 251, Statutes of 2004 (SB 1437, Speier). This augmentation was made by redirecting funding from the proposed Office of the State Inspector General.

8860 DEPARTMENT OF FINANCE

- Augmented by \$1.15 million (GF) for auditing activities by the Office of State Audits and Evaluations. This augmentation was made by redirecting funding from the proposed Office of the State Inspector General.
- Approved funding of \$494,000 for ongoing development of the web-based presentation of the Governor's Budget. In addition, a specified number of hard copies will be provided to the Legislature, Legislative Counsel, Legislative Analyst's Office, and state libraries.
- Approved a request for \$1.8 million GF and two positions to continue development of a Budget Information System to streamline budget processes and develop a year-round integrated budget system.
- Rejected a request to establish an Executive Council for Business Management Functions and associated Control Section 8.81 funding to pay for consultants to initiate a project to establish an enterprise architecture for business management functions. (See also Control Section 8.81)
- Established three positions and \$500,000 for two years limited term to coordinate bond activities and fund contracts with financial advisors to improve management of the state's bond debt.

8885 COMMISSION ON STATE MANDATES

- Adopted intent language for the Commission on State Mandates to reconsider the Mandate Reimbursement Process mandate and develop reasonable reimbursement methodology if a mandate is found to exist.

8910 OFFICE OF ADMINISTRATIVE LAW

- Adopted a proposed \$224,000 GF and two-position increase for a two-year limited-term assignment to address underground regulations. Supplemental Report Language to require reporting on findings and benefits to the state was added.

9100 TAX RELIEF

- Rejected a Governor's Budget proposal to reduce the Senior Citizens' Renters Tax Assistance program by \$100 million GF.
- Rejected a Governor's Budget proposal to reduce the Senior Citizens' Property Tax Assistance Program by \$40.6 million GF.
- Rejected a related Governor's Budget proposal to augment the Senior Citizens' Property Tax Deferral Program by \$4.7 million GF. This proposal was meant to cover some of the seniors who would lose their property tax assistance due to the elimination of the Senior Citizens' Property Tax Assistance Program.

9210 LOCAL GOVERNMENT FINANCING

- Approved funding of \$200 million GF for the Citizen's Option for Public Safety (COPS) and the Juvenile Justice Crime Prevention Act (JJCPA) grant programs. This action involved rejecting the Governor's two proposals to eliminate funding for the JJCPA and (subsequently) amend that elimination to provide funding of \$25 million.
- Restored \$18.5 million GF in for grants to rural and small county sheriffs for law enforcement activities.
- Adopted the Governor's May Revision proposal to restore \$593 million to cities and counties for Vehicle License Fee revenues not received in 2003-04 due to suspension of the VLF offset. The state owes \$1.2 billion to cities and counties due by August 15, 2006.
- Adopted the Governor's proposal to restructure the Open Meetings Act mandate by redefining allowable costs and funding at \$2 million GF. (Current year expense is approximately \$15 million.)

9650 SUPPORT FOR HEALTH AND DENTAL BENEFITS FOR ANNUITANTS

- Approved Finance Letter to provide \$34.5 million GF in previously anticipated Medicare Modernization Act savings, which are now not expected to accrue in 2005-06.

9800 AUGMENTATION FOR EMPLOYEE COMPENSATION

- Approved Finance Letter adjustments for the Administration's new cost estimates, but also added funding of \$8.9 million to cover costs that were omitted, but that will be incurred by the state.

9840 AUGMENTATION FOR CONTINGENCIES AND EMERGENCIES

- Adopted budget provisional language to clarify that supplemental appropriation bills will conform to the same requirements that are contained in this item.

9955 REDUCTION FOR EMPLOYEE COMPENSATION

- Rejected the Governor's Budget proposals, and related trailer bill language, to reduce employee compensation benefits in the areas of retirement contributions, healthcare, overtime pay, and vacation days.

CONTROL SECTIONS**3.60 CONTRIBUTIONS TO PUBLIC EMPLOYEE RETIREMENT BENEFITS**

- Adopted revised rates for the six retirement classes, pursuant to the PERS Board policy for calculating the actuarial value of assets, spreading market value asset gains and losses over 15 years as opposed to the current three years. Relative the Governor's Budget, this change reduces GF costs by \$152.7 million in 2005-06.
- Approved Finance Letter adjustments associated with the sale of Pension Obligation Bonds, which reduce expected revenues to \$525 million GF (relative to \$929 million GF indicated at the time of the 2004 Budget Act).

4.01 EMPLOYEE COMPENSATION SAVINGS

- Approved language to authorize the Director of Finance to reduce Budget Act appropriations for savings related to the Alternative Retirement Plan and savings related to new collective bargaining agreements.

5.50 CONTRACT SAVINGS

- Reversed projected ongoing savings of \$100 million, per the May Revise, that were built into the current-year budget. Savings were unachievable largely due to double counting by departments.

8.53 NOTICE OF FEDERAL AUDIT

- Adopted language to require reporting to the Legislature when a final federal audit has been issued that results in a reduction in funds to the state.

8.81 CONSULTANT SUPPORT FOR ENTERPRISE BUSINESS SYSTEM

- Rejected the Governor's proposed Budget Bill language to provide \$1.25 million GF to the proposed Executive Council for Business Management Functions. This Council would be tasked with mapping the state's enterprise-wide business application development plan.

14.00 SPECIAL FUND LOANS: DEPARTMENT OF CONSUMER AFFAIRS

- Approved special fund loan authority for loans between Boards and Commissions in the Department of Consumer Affairs.

25.50 APPORTIONMENT PAYMENT SYSTEM

- Adopted an amended Control Section 25.50, which displays the contributions by fund for the development of the Apportionment Payment System.

33.50 STRATEGIC SOURCING

- Adopted the Governor's May Revision estimate of 2005-06 of savings (\$0), a reduction of \$96 million relative to the Governor's Budget. The Administration will report to the Legislature in 2005-06 as actual strategic sourcing savings are achieved.
- Adopted Budget Bill provisional language to require reporting to the Legislature on the amount of strategic savings achieved and detail on the nature of the savings.

JUDICIARY AND GENERAL GOVERNMENT

0250 JUDICIAL BRANCH

- Approved combining the Judicial and the Trial Court Funding budgets into one budget for the Judicial Branch.
- Approved the proposed increase of \$92.6 million for the trial courts to address increases in costs facing the trial courts. The increase is allocated for increased retirement costs (\$39 million), pay parity due to court unification (\$3.7 million), discretionary costs including salary and benefit increases (\$37.2 million), increased court security costs (\$7.9 million), and increased county charges (\$4.9 million).
- Approved proposal for \$13.1 million and 91.5 positions for the continuation and expansion of various administrative and information technology services to support the trial courts.
- Approved proposed trailer bill language to increase the county obligations associated with the Maintenance of Effort payments by \$5.5 million to address unanticipated cost increases to the trial courts for various forensic evaluations.
- Approved proposed trailer bill language to permanently reauthorize the transfer of \$31 million from counties to the courts in revenue from undesignated fees.
- Approved trailer bill language to create a uniform civil fee. The fee provides sufficient revenue to offset the \$16.8 million that will be reduced with the sunset of the court security fee, and generates an additional \$28.2 million in new revenues. These new revenues would be allocated as follows: to the Equal Access Fund (\$3.8 million), technology projects (\$10.8 million, facilities (\$9.9 million), and as a set aside for county law library fee increases (\$3.7 million).
- Approved an increase of \$134.8 million to provide for the statutorily required adjustment for trial court funding related to the percentage change in the State Appropriations Limit (SAL). This total represents an increase of 6.64 percent – the final SAL May Revise calculation.
- Approved budget bill language requiring the Judicial Council to draft trailer bill language to expand the application of the SAL to include funding for judicial compensation, and funding for the Supreme Court, the courts of appeal, and Administrative Office of the Courts, and the Habeas Corpus Resource Center.
- Approved supplemental report language directing the Judicial Council to assess the effectiveness of the Judges' Retirement System II.

0280 COMMISSION ON JUDICIAL PERFORMANCE

- Approved as budgeted -- \$4.1 million GF.

0390 CONTRIBUTIONS TO JUDGES' RETIREMENT SYSTEM

- Approved as budgeted.

0820 DEPARTMENT OF JUSTICE

- Approved proposal for \$1.8 million GF and four positions to begin renovation of the Violent Crime Information Network and to provide the necessary level of program and technical support staff.
- Approved proposal for \$4.7 million in special funds and 12.5 positions to establish a Corporate Responsibility Unit, which would be self-funded through the Public Rights Division Law Enforcement Fund. The proposal includes trailer bill language clarifying that no General Fund augmentations shall be used for this purpose and budget bill language restricting new positions until there are sufficient funds in the Public Rights Division Law Enforcement Fund.
- Approved proposal for \$4 million GF and eight limited-term positions to begin replacement of five automated databases.
- Approved trailer bill language to establish the Legal Services Revolving Fund to improve the management of the Public Rights and the Civil Law Divisions.
- Approved proposal for a one-time augmentation of \$1.5 million GF for external consultants related to the Lloyd's of London (Stringfellow) litigation to continue to fund specialist counsel with expertise in insurance coverage litigation.
- Approved proposal for \$1.1 million GF and \$7.7 million special funds to handle increased litigation workload in the Criminal Law Section.
- Approved an augmentation of \$283,000 to restore funding for the Spousal Abuser Prosecution Program.
- Approved proposal for a one-time increase of \$3.2 million in federal funds for the California Methamphetamine Strategy (CALMS) Program.
- Approved proposal for a one-time increase of \$2.6 million in federal funds for the Threat, Analysis, Reporting, and Geographic Evaluation Tool (TARGET) information system.
- Approved proposal for a one-time increase of \$2 million in federal funds for the Single-Point Information Collection and Evaluation System (SPICES).
- Adopted proposed trailer bill language to establish the Registry of Charitable Trusts Funds and approved an increase of \$2.1 million and 6.6 positions from the fund to address workload for the Registry of Charitable Trusts. As part of this request, reimbursements were reduced by \$410,000 and GF was reduced by \$906,000.
- Approved proposal for \$2.3 million and 10.8 positions for the enforcement of unfair competition and consumer protection laws, as required by Proposition 64.

- Approved proposal for \$2.5 million GF for purchase of old, outdated, and unreliable equipment for the Bureau of Forensic Services' Criminalistics Laboratory system on a one-time basis.
- Approved proposal for \$9.8 million in lease revenue funds for the construction phase of the Santa Rosa Replacement Laboratory.
- Approved proposal for a total of \$11.2 million (\$7 million from a GF loan) for the workload at the DOJ associated with the passage of Proposition 69, the DNA fingerprint, Unsolved Crime and Innocence Protection Act.
- Rejected proposal to suspend the Custody of Minors/Child Abduction and Recovery mandate and approved funding of \$13.6 million GF for the mandate.

0855 GAMBLING CONTROL COMMISSION

- Approved \$1.6 million from the Special Distribution Fund and 17.2 positions to address workload at the Gambling Control Commission. The augmentation includes funding for additional audit workload, additional licensing workload, administrative functions and information technology, and for a staff counsel position. Approved five positions and funding for field testing on a two-year, limited-term basis, rejected the state lab funding and positions, and approved two limited-term special consultant positions to provide technical expertise to the commission.
- Rejected proposal for \$276,000 from the Special Distribution Fund to reimburse the Department of General Services for inspection and validation of construction projects.
- Approved an augmentation of \$20 million on a one-time basis from the Special Distribution Fund to mitigate the impact of gaming operations on local governments.

8550 CALIFORNIA HORSE RACING BOARD

- Approved as budgeted -- \$8.7 million from special funds.

8690 SIESMIC SAFETY COMMISSION

- Approved as budgeted -- \$1.1 million from special funds.

8830 CALIFORNIA LAW REVISION COMMISSION

- Approved an augmentation of \$40,000 and 0.5 of an administrative position to reduce the amount of time that attorneys spend on administrative functions.

8840 COMMISSION ON UNIFORM STATE LAWS

- Approved an augmentation of \$49,000 to fully fund the activities of the commission.

8940 MILITARY DEPARTMENT

- Approved proposal for \$250,000 from special funds to establish the California Military Family Relief Fund to provide financial aid grants to members of the California National Guard who have been called to active duty.
- Approved proposal for \$190,000 GF to implement the California National Guard Surviving Spouses and Children Relief Act.
- Approved proposal to increase funding by \$1.3 million for the Oakland Military Institute.
- Approved proposal for \$6 million GF (\$3.1 million) and federal funds (\$2.9 million) to fund preliminary plans, working drawings, and construction for the renovation and addition to the Roseville Armory.
- Approved proposal for \$1.1 million GF and federal funds to pay for the full year impact of a Congressionally-mandated State Active Duty pay increase effective January 2005.
- Approved proposal for \$858,000 federal funds and \$431,000 GF to renovate kitchens and latrines and security lighting at selected armories.
- Approved proposal for \$1.5 million from the Armory Fund and augmented by \$700,000 for necessary repair projects at various armories to reduce the backlog of maintenance and repairs that is over \$43 million. Also augmented by \$3 million GF for this purpose.
- Rejected proposal for \$7.2 million GF for acquisition of 30 acres for a new headquarters complex.